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No. 24

THE WORLD TOMORROW

Religion

INDIA UNITED

H. N. Brailsford

Whose Depression?

Paul H. Douglas

he Confused Liberals

An Editorial

BANKERS RULE NEW YORK

Henry J. Rosner

DECEMBER 28th

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Ex Cathedra

THIS Prohibition situation is discouraging. The Drys are standing at Armageddon battling for the Lord, preferring to preserve their purity rather than to save what might be worth saving out of the experiment. The Wets are hell-bent to bring back liquor and the saloon just as quickly as possible. Neither side is trying honestly to deal with the liquor problem as a perennial difficulty for human society for which there is no absolute solution. A plague on both their houses. Can't we find a few honest and dispassionate souls who will deal with this problem as a vexatious issue which requires careful analysis and objective treatment? A war psychology on this as on other issues obscures the real facts.

The Wets are hoping to raise four hundred million dollars for the national budget thorugh the legalization of beer. Secretary Mills insists that beer will not float half that amount of taxes and he is probably right. The extravagant hopes of the Wets are in the same category with the dreams of the Drys two decades ago when they imagined that the millennium would be ushered in through the 18th Amendment. Some day when we are fully mature we will learn that the best we can do with the perennial weaknesses of human nature in political terms is to set some social restraints upon the anarchic passions of men. Education and moral suasion will supply some additional inner restraints. If both inner and outer restraints are fairly effective we can achieve enough decency in human society to make human life sufferable. If anything is achieved beyond these minimum requirements it must be regarded as a gift of grace.

Such conclusions are as valid for the problem of restraining human greed and the lust for power as for the task of conquering intemperance. The hope that a Communist society will completely socialize human beings is no more realistic than the dreams of the 18th century that a democratic society would accomplish this desirable end. On second thought it may be slightly more realistic, because the ec nomic organization of society is more fu damental than its political organizatio But no new social organization or no ne technique in education will ever "socia ize" human beings as completely as eith the educators or the radicals assum That does not make gains in both educ tion and social organization unimportan But they must be seen in their prope perspective. If these conclusions are re garded as "defeatist" in this country, I a arrogant enough to assert that they on seem to be so from the American pe spective, because American culture whether liberal or radical, is still in formed by 19th century sentimentalities If we ever achieve maturity we will figh as valiantly for a better society as me now strive for illusory perfection. It i romanticism rather than realism that ulti mately issues in defeatism.

I FIND it much better to satisfy my sense of humor by extracting the unconscious presence of that element in the day's news than by reading Will Rogers. Here are a few samples of what I mean:

"During the present depression I feel that I should spend my money in my own country, and so I will open my Florida home this winter. Later, however, when the states recover, I plan to enjoy the winters in my Bermuda home."—*Vincent Astor.*

"The navy is the only thing we have that puts teeth into the Kellogg Pact."—*Admiral Pratt.*

"I will go ahead strengthened by faith in myself. I am sure that there is nothing ahead but great glory for the City of New York."—*Mayor-elect John P. O'Brien.*

"If we only keep that spirit which is in all of us, things are bound to get right, for the right spirit will force all men of good-will in all countries to work for peace and understanding."—*Lady Astor.*

"Men can be put to work and general prosperity will return only by enlisting the unemployed to create under proper leadership the desire to buy."—*Roger Babson.*

PRONUNCIO

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THE WORLD TOMORROW

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The Political Confusion of Liberals

Nothing is more pathetic than the confusing counsels which liberals are offering radicals in their futile efforts to aid and abet the radical cause. One group of liberals is still of the opinion that the American people are afraid only of the word socialism and not of the realities of socialism, and therefore the Socialist Party would only have to change its name to win popular acclaim. Norman Thomas recently answered a typical liberal of this persuasion in the columns of the *Nation*.

The *Christian Century* belongs to another type of liberalism. It is anti-capitalistic in the sense that it believes that the present system must go, that business men trying to protect the credit structure and labor leaders trying to preserve living standards are both failing to meet the real problems of our civilization. With this thesis we have no quarrel though we are a little baffled by the fact that a journal which espouses it was able to defend the candidacy of President Hoover. The rest of the *Christian Century's* political credo seems to us to be enveloped in confusion.

It sees no hope of the Socialist Party establishing itself as a third party. It believes that America is wedded to the two party system. It is afraid that the political failure of socialism will drive in the direction of communism and is worried about "the widening tolerance, not to say hospitality, for the doctrine of both the righteousness and the inevitability of the use of force." It believes that "it is only a step from the ethical justification of the class struggle in terms of force and violence to an ethical justification of revolution and the dictatorship." To avoid this drift toward communism the *Christian Century* proposes that radical political theory adopt the strategy of "pressure politics" after the fashion of the Anti-Saloon League and similar organizations. It believes that any social legislation which might be passed by a Socialist congress, assuming that a majority of that party may dominate congress in the future, would be repealed by a succeeding hostile majority but that the same fate would not await similar legislation passed by one of the old parties.

The *Christian Century* believes this strategy will be effective because the old parties "are responsive to the pressure of a substantial body of homogeneous opinion." Are they? The farmers have been a fairly homogeneous body of radical opinion in the past four years. What did they gain from the Republican Party? They will gain one-tenth of one per cent more from the Democrats than from the Republicans, but that is all. The *Christian Century* fails altogether to take into account the fact that political parties are first of all responsive to the dominant economic interests which control the party machinery. They do need votes, of course, and they will make some concessions to those who control votes (to the American Legion, for instance) but they will do no more than is absolutely necessary to hold such votes. The idea that a social system would be wholly reorganized or that any legislation designed to disinherit some of the economically privileged who now control politics would be passed by any one of the old parties is sheer romanticism. It is a question whether liberal and radical opinion can even prevent the enactment of the renewed proposal for a sales tax in the coming Congress. The dominant groups in both old parties are afraid to pass higher income taxes, and for that reason they will try to cover deficits by sales taxes if they possibly can. The leadership of a party can not absolutely defy a large body of opinion within its ranks but it can beguile such opinion with small handouts of reform for many a decade.

What the *Christian Century* proposes in effect is to permit the dominant economic interests to maintain the leadership in the old parties (which they will do as long as they pay for the campaigns) and then to trust in the periodic threats of munity within the ranks to move the leadership beyond its own purposes. That is a costly and ineffectual method of achieving basic reorganization of our economic life. Catastrophe will have overtaken us long before that kind of strategy would achieve any measure of success.

At a time when it is a question whether entrenched economic power will yield even to superior political force, it is certainly a little late to argue that one might be able to use the political instruments of such economic power against itself. The real fact is that such proposals spring from an incurable moralism and rationalism which have only a minimum understanding of the economic basis of politics.

If there were a very large number of purely disinterested patriots it would be a question whether they could be most effective by adopting the technique of "pressure politics". But the real error in the position of the *Christian Century,* and of intellectual liberalism as well, is the assumption that there is a large body of disinterested opinion in any nation. That assumption proceeds from the intellectual pride of liberalism. The

liberal church as well as the liberal school is full of it. In the one case Christian idealism and in the other case rational perspective are supposed to lift men above the prejudices and partial perspectives which are generated by the economic circumstances in which they live. The number of cases in which this actually occurs is always relatively small. The unconscious influence of economic circumstance is always very great. A middle-class intellectual, for instance, may desire social change but he is quite sure that his moral idealism makes it impossible for him to countenance anything but gradual change. He may be quite honest in this conviction but unconsciously his social position makes him oblivious to the brutalities and cruelties of the present social system and unduly critical of the brutalities which a revolutionary change would require. Christian pacifism is for this reason always a compound of genuine Christian idealism and of the prejudices of comfortable middle-class people. When it ceases to be that and deals realistically with the problems of social change, it is transmuted into something like the pacifism of Gandhi, which sanctions the use of coercion but tries to keep it under the control of the spirit of love.

The liberals will have to do more rigorous thinking than either the religious or the intellectual liberals have so far revealed if they are to be effective in the problems of modern society

France and England on Debts

In the moment of crisis England paid her installment of 95 million dollars on the war debt and France defaulted her payment of 19½ million. Since France was in a better position to pay her installment, not only because it was smaller but because of the greater adequacy of her gold reserves, American observers and critics are drawing many rash conclusions on the difference between English and French honor.

It may be true that Anglo-Saxon people have a business ethic which differs from that of Latin countries and it may be that this difference partly accounts for the divergent policies of Britain and France in a critical moment in which both were confronted with an identical problem. It would be well, however, to be very circumspect about such judgments. There are many complicating factors in the situation. France could more easily afford to default than Britain. She is not as dependent upon international trade and does not have to concern herself as much about the effects of a default upon the market of stocks and bonds. Furthermore the French government was as ready to pay as the British Cabinet but it was placed in a very difficult position by the peremptory Stimson note. Its overthrow by a majority recruited from both the Right and the Left is one of those parliamentary occurrences which is possible in France and not nearly as probable under the British system. It is significant that Herriot, in spite of his defeat or because of it, has improved his prestige in France to a considerable degree, and his return to power is a practical certainty, though he will probably let the forces which opposed him stew for a while in the confusion which they have created.

It would be better for Americans to spend less time making invidious comparisons between England and France and devote some of it to self-criticism. Our uncompromising attitude on the debt question placed all of the European nations in serious difficulties. Whether they paid or defaulted, they are filled with resentment against our attitude. The division of authority between Congress and the executive, which was partly responsible for our policy, can hardly be understood or appreciated in nations which are accustomed to the parliamentary system. We therefore appear in their eyes in even worse light than the facts warrant. But the facts are bad enough.

The debts must be cancelled. It is not even possible to use the debt question as a fulcrum with which to move the disarmament problem. There was a time when this might have been done, but that time is past. Only straight cancellation will help now. Our hesitancy is all the more deplorable because the seeming sacrifice which cancellation demands is not really a sacrifice. Cancellation will benefit us as much as the European nations. If the conventional peace societies had spent a little more time instructing the American people on the realities of the debt situation, instead of concentrating their energies on the Kellogg Pact, our nation might be a little more prepared to take this necessary and inevitable step.

Filipinos Nearing Independence

On July 4 some years hence the Philippine Islands will acquire independence. The exact year will not be known until a compromise has been reached by the conferees representing the divergent views of the Senate and the House, the measure in the former providing for a preparatory period of 12 years, while in the latter an eight-year limit is set. The enthusiasm of THE WORLD TOMORROW over the prospect of early freedom for the Filipinos is tempered by the fact that crippling provisions are contained in both bills.

Instead of providing for the continuance of free trade and free migration until independence is fully granted, the Senate bill calls for practical exclusion of Filipinos from the United States from the beginning of the preparatory stage, as well as for drastic limitations upon the free entry of Philippine products into this country. Sugar imports into the United States from the Philippines are to be limited to 615,000 tons if the Senate provision is accepted, or to 850,000 if the House figure is adopted. Similar limitations are also proposed with regard to cocoanut oil and hemp. Be-

ning with the eighth year all Philippine products l be taxed five per cent of normal American tariffs, n subsequent increases of five per cent per annum l a maximum of 25 per cent is reached in the 12th r. The proceeds of this tax are to be devoted to ng off the bonded indebtedness of the Philippine ernment.

tormy days are ahead for the Filipinos. Industry commerce in the Islands have become so depend- upon the United States that the period of read- ment will be difficult and painful. We had hoped t American legislators would be sufficiently fair to tinue free trade until the transfer of sovereignty been consummated, and perhaps for an additional ade of adjustment, but we are strongly convinced t it is far preferable to have the independence issue posed of on the contemplated basis than to have it hanging in the balance. While it is probable that nomic conditions in the Philippines will prove worse ing the early years of the new regime than they e under America's domination, most Filipinos pre- freedom—and in this respect they resemble other man beings.

The securing of freedom by the Philippines will e reverberations throughout the Far East and will ten the process of undermining imperialism. rthermore, American big navy men will lose a val- le argument in support of huge naval appropria- ns. We regret that American greed has been more ent than American idealism in securing freedom for Filipinos, but nevertheless, we rejoice in that edom.

hunder to the South

The news from Latin America once more brings a kture of progress and retrogression. In Uruguay, an overwhelming vote, women 18 years of age and er have at last been given the right of suffrage on same basis as men. Mexico, however, on the ound that it cannot afford $100,000 annually as its re of the cost, has severed its membership in the ague of Nations, giving two years' notice as re- red. The threatened war between Colombia and ru has subsided, but only temporarily, it appears, h neither one showing a willingness to abandon its ic determination to own Leticia, the territory in dis- te. Paraguay does not assent to the plan for a set- ment of the Gran Chaco war with Bolivia that was painstakingly formulated by the commission of neu- l inquiry and approved by the League of Nations uncil.

Meantime, Argentina has been suffering one of its riodical reactions. A combination of the Alvear dicals and the Irigoyen Radicals, seeking revenge r the revolution of September 6, 1930, which swept goyen out of office and made him for a time a political exile, undertook a coup d'etat, not with the army, which remained loyal, but by uprisings of civilians equipped for terrorism. There can be no doubt that Irigoyen has been something of a political adventurer, and there is reason for thanks that his plot was unsuccessful. General Uriburu, who followed Irigoyen as President, was a military despot, but he did hold elections, and in November, 1931, General Justo, the present incumbent, was elected.

Justo, a friend of Uriburu's, has hardly been a democrat or a liberal; but last June he undertook to reshape his government's support, liberalizing his regime in a degree, and winning at least a measure of support from six left groups: the Socialists, Independent Socialists, Progressive Democrats, Entre Rios Radicals, and two university organizations. Undoubtedly, this move was made to prevent the growth of hope for a military dictatorship, and significantly enough, the followers of Irigoyen and Alvear were conspicuous by their absence from this new grouping. That Justo was ready to make some concessions is indicated by his readmission, on June 11, of Yuamtorg, the Soviet trading agency, and by Argentina's peace plan for South America, an interesting "improvement" on the League and the Kellogg Pact. Primarily he was stirred by the great increase in Socialist strength during recent years. The Socialist Party has added more than 10,000 new members since 1929 and the Independent Socialist Party (which is less "independent," having formed a coalition at the last election with the Progressive Democrats) has polled in Buenos Aires more than 100,000 votes to the 80,000 of the Socialist Party (affiliated with the Labor and Socialist International).

But all the Socialists are now resentful over the panic-stricken resort by Justo to the methods of the dictatorship. All forms of repression have been clamped down, the Socialists not even being allowed to leave Parliament when they sought thus to register their protest. Argentina in many respects has been one of the most progressive countries of the West; and it must be hoped that her abandonment of constitutional government during the present emergency will speedily give way before the rising demand for peace and freedom.

Battling for Rail Wage Standards

Still deadlocked as we go to press, the Railway Labor Executives' Association and the Managers' Committee both refuse to budge. The point at issue is not an extension of the present agreement for another six months; the struggle centers in the restoration or non-restoration of the former basic wage rates at the expiration of the existing agreement. That agreement, covering the twelve months ending on January 31, 1933, provided for a ten per cent cut in

wages, but it also, through the insistence of the union negotiators, provided for an automatic restoration of the old wages when the year was up. The unions are willing to extend the pay cut another six months, and as far as wages are themselves concerned, this would satisfy the companies. But the roads are bent on a permanent lowering of pay standards and are determined to abolish, if they can, that section of the agreement which relates to the automatic restoration of the former scale.

The railroads, obviously, are in a bad way, even where some gains have been reported. They cry that unless they are permitted to cut down sharply and indefinitely on wages, their end will be receiverships. The railway unions, on the other hand, point out that the well-being of 1,000,000 employees is at stake; they remind the public that already, through last year's cut, they have "contributed" $200,000,000 to aid the carriers; and they show how, by a 50 per cent decrease in employment, they have suffered while the roads have decreased their labor costs proportionately to the decline in traffic. The fight assumes especial importance in view of the high degree of bargaining power built up by the railway workers. If they give way as millions of workers less well organized have been obliged to, a momentous step down in the long struggle toward labor advance will have been taken.

Here's Another Mess!

Another unsavory financial mess has been brought to the surface by the report of the receiver of the Illinois Life Insurance Company. It now appears that the Stevens family, which has controlled that company, invested no less than $13,000,000 of the company's $39,000,000 of assets in the securities of two Chicago hotels which they owned, namely the La Salle and the Stevens, and that these securities apparently were chiefly in the form of second-mortgage bonds. To invest life insurance funds in the second-mortgages of any building venture was bad enough, but for directors and officials to put them in their own enterprises is unspeakably shocking. The situation is made still worse by the fact that the Illinois insurance law, like the banking law of that state, is so incredibly slipshod that it may not be possible to prosecute the officials.

Such evidence as this, which finds its host of counterparts everywhere, should begin to impress even the most stupid that our business system is shot through with dishonesty and that where the chief emphasis is laid upon money, power, and self-interest, it is almost impossible for justice to exist.

Incredible—But True!

Elsewhere in this issue we present startling data concerning the trend of wages, dividends and interest in the United States since 1926. Reliable evidence reveals that whereas the total amount paid out in wa by manufacturing establishments was only 38 per c as great in September, 1932, as the average for 19 the total interest and dividend payments by Ameri corporations in 1932 stand at a level 55 per c higher than that of 1926.

The terrific drop in wage payments and extraordinary rise in interest-dividends payments h to explain the tragic paradox of too much investo money and too little consumers' money. The volu of destitution throughout the land is staggering beyo comprehension. In New York City alone the numb of applicants for public relief has reached the benum ing total of 240,000—representing from one-half m lion to a million human beings. The Gibson Comm tee has failed to reach its goal of 15 million dollars, spite of vigorous efforts to arouse the public by drast warnings of the terrible consequences of failure. Ma of the richest men in America have served on this co mittee. It is probably a fact that even in this year tragedy the combined incomes of 10 of these men wi exceed 100 million dollars. Yet they are pleading wit individuals of moderate means to give generously t save their fellow citizens from starvation. An extr 10 per cent income tax in the higher brackets woul provide vast sums for relief, and yet leave rich me with too much privilege and power.

In the face of misery unprecedented in our histor the surplus of investors' cash is so stupendous that th government of the United States has set a new lo record of interest rates. Money is being borrowed o 91-day bills at approximately one-eighth of one pe cent—.13 to be exact!

With evidence of this tragic paradox daily co fronting us, we confess that we were shocked into in articulate astonishment by a document recently ci culated by the Ohio Chamber of Commerce, attackin the report of the Ohio Commission on Unemploymen Insurance, from which the following is quoted:

> We offer the American System. We offer a country that has met this crisis, fed its people, prevented suffering and preserved order and maintained mutual good-will better than any other country anywhere else in the world. The American dollar is worth 100 cents in gold. The bonds of the United States are as good as gold. Our banking system has been preserved by wise legislation. Our economic structure is intact. Our workmen, refusing to be beguiled by Communist agitators imported to wreck our institutions, have been grim, patient and patriotic. Factories have staggered employment, rearranged time schedules and drawn upon their reserves to extend work. The family has functioned, relatives helping relatives. Community funds have functioned in which those who have, have given to those who have not. And as a last resort where necessary, public charity, an institution as old as our civilization, has functioned. All this sublime manifestation of a vigorous civilization meeting a crisis in the full flower of its strength is dismissed by the Ohio Commission on Unemployment Insurance as "unscientific". When were Chris-

an charity, family love, neighborly kindliness, and human brotherhood scientific? Spare us the day when our civilization is reduced to the cold level of a Marxian formula. The burden of proof is not on the United States. What have these propagandists to offer? Where can they point to any nation, with their schemes of unemployment insurance, old age pensions, sickness insurance, minimum wage and Soviet regimen, which has met this situation as well as we have met it here in America?

"Gandhiism Versus Socialism"

In a little book[1] under the above title Richard Gregg, perhaps the most authoritative exponent of Gandhi's political and ethical idealism in America, compares the Mahatma's political strategy and philosophy with that of socialism. The West has much to learn from Mr. Gandhi and it will have more to learn when it learns that parliamentarianism is not enough and that other forms of pressure will have to be used to achieve basic political change. Mr. Gregg's discussion is therefore an important contribution to the issues of the hour. His argument is briefly that Gandhi's program, by its ethical and spiritual discipline, robs the dominant classes of their five chief weapons: money, violence, social divisions and flatteries, parliamentarianism and large scale organization. He believes that socialism is less effective in accomplishing such a result.

While Mr. Gregg is quite convincing in pointing out that a revolution based upon violence may easily perpetuate violence and that a way must therefore be found to secure basic changes without trusting in either parliamentarianism or violence, we doubt whether he has proved that Gandhi's program, as he conceives it, is one that can be adotped by Western civilization. We must learn from its spirit and its technique but we cannot adopt it as completely as Mr. Gregg suggests. In discussing Gandhi's non-violent program, he makes the mistake made by so many Gandhi disciples of implying that Gandhi uses only psychic or ethical persuasion. That is an unrealistic presupposition. Boycotts, strikes, and civil disobedience are forms of negative physical coercion. We believe that they are more effective instruments of the spirit of good-will than violence, but it is mistaken to assume that non-violent resistance is generically different from other forms of coercion. If the West is to find adequate forms of non-violent coercion, it must not begin with the illusion that Gandhi's program moves purely in the realm of the psychic and that it applies no physical coercion.

A more serious mistake in Mr. Gregg's argument is his failure to distinguish between the necessities of an agrarian and industrial civilization in applying the technique of Gandhi to our own situation. He believes that Gandhiism is superior to socialism in providing every person with a common, daily form of social service in hand spinning, in advocating the strict regulation of private property rather than its abolition, and in his emphasis upon small-scale industrial organization rather than a highly centralized system. All three of these strategies are either completely ineffective in our industrial world or less effective than they are in the East. Household industry would aggravate the problems of unemployment in a civilization in which large scale production is an accomplished fact, with millions of people depending upon it for livelihood. It is useless to abolish the machine or circumscribe its range. It must be mastered. Regulation of private property rather than its social ownership will probably prove ineffective in any kind of civilization in the long run. It is certainly impossible for us. Society cannot regulate industry when industry is in possession of the significant power which controls the political organs of society. Small-scale organization instead of a highly centralized one may be possible in an agrarian civilization just emerging into industrialism, but it does not answer a single problem for a highly developed and completely centralized economic system. Our problem is whether society as such will own and control this centralized system or whether it will be controlled by a small class. We cannot turn back the wheels of time. Centralization is an inevitable part of a technological age. We might wish it otherwise, but there it is.

Mr. Gandhi can teach us much both in the spirit and in the methods of politics. But he will not make his largest contribution to our life if his Western exponents fail to recognize the fundamental differences between an agrarian civilization in which his methods were elaborated and our civilization with its technical intricaces.

[1] *Gandhiism Versus Socialism.* By Richard Gregg. John Day Co. 25c.

The Mahatma

From a drawing by Bertrand Zadig

as Brailsford sees it

India Wins Unity

INDIA figures but little in the day-to-day news. In her silence and passivity she cannot embroil the Old World with the New, as the question of debt may do. She cannot conjure up a vista of conflict and slaughter and waste as the failure at Geneva does; her arm cannot reach beyond her own shores and its hands are tied. None the less, I think that a decisive thing is happening in India which may rank as a world-event, when the chronicles of these barren years are sifted. I do not refer to anything that the government of India is doing, though it wields the *lathi* with unflagging industry. I am not thinking of the ghostly substitute for the Round Table Conference, which sits behind closed doors in London: its work will leave no enduring monument, for the Indian nation has been eliminated from its sittings. The event worthy of attention is that India's national unity has, I think, been won. Short of the achievement of Indian freedom this is the greatest thing that could happen in this sub-continent. Without it, India's liberation seemed hopeless. With it, that goal, even if it be at the end of a long and dusty road, is clear for all to see.

I must write with caution, though I write with hope about the results of the Unity Conference of Allahabad, which has at last brought Hindus, Muslims and Sikhs together. I have before me the text of its decisions, unanimously adopted. I have the names of the representatives of the three creeds that have signed them. I have talked with capable observers, my own countrymen as well as Indians, who have just arrived from India. This evidence is enough to convince me that an arrangement very generous to the minorities has been reached, and that it has been accepted certainly by all the Hindus, probably by all the Sikhs, and by the great majority of the Muslims. There are, however, Muslim dissentients. Some of them occupy, or have occupied, places of honor as the accepted leaders of their community. I think they are only a minority, perhaps a small minority. They stand for the elderly, wealthy, conservative, ultra-loyal element, which owes its prominence partly to its unbending orthodoxy, but chiefly to the high favour in which it stands with the British bureaucracy. They are not dynamic persons: they cannot sway the masses: they count for little today, and for less tomorrow. None the less, there are just enough of them to destroy the impression of complete unanimity. It possible for biased semi-official reporters, who cab from behind the curtain of censorship, to stress this di sent, and to dismiss the Allahabad Conference as failure. That has been the attitude of the Britis press, which, indeed, has devoted to this outstandin event only a few inches of its news space, and has no thought it worthy of a single editorial article.

FROM this well-drilled silence one may infer wha the attitude of the Government will be. It wil ignore a settlement for which unanimous assent can not be claimed. As the zealous guardian of Muslim rights, it will refuse to abandon any of the safeguard which any section of Muslims continues to claim. I will impose, unmoved, in the communal question, it own solution, which effectively divides the three com munities, and postpones, while its arrangements last both national unity and any healthy working of de mocracy. But if, as I believe, the main body of th Muslims is now for unity, these constitutional bar riers will no longer avail to obstruct it. Muslim and Hindu representatives, however vicious the system by which they are elected, will work together for India when they meet.

The hero of the Allahabad Conference was Mr Gandhi, though he sat muzzled in jail, hundreds o miles away, throughout its sittings. His fast on be half of the Untouchables had moved India to its depths. He had risked his life to remove the ugliest the tallest and the oldest of the dividing walls tha separate Indians from Indians. It is physical, in stinctive. It rests on race, and it had its beginning certainly two, perhaps four thousand years ago. The wall between Hindus and Muslims is recent, as one counts antiquity in this land of long memories, and i rests on nothing physical. For while India's Muslim invaders were originally Arabs, Persians, Turco Tartars and Huns, they have blended with the native inhabitants: the immense majority of Indian Muslims are converted lower-caste Hindus. Mr. Gandhi's example "purified the atmosphere" as Rabindranath Tagore has put it. After this, men were ashamed to be petty. Indian felt for Indian a new love: the finer spirit of the race had expressed itself in his sacrifice for unity. The idea spread that the same spirit, the

ame method, even the same formulas which had erved to bridge the gulf between caste-Hindus and Untouchables might close the cleft between Muslims nd Hindus.

THE good work was carried through by two men who belong to the most sharply contrasted types maginable. Shaukat Ali is the popular leader of the Muslim masses, a rough, jolly, humorous personality n the prime of life, combative, emotional, bursting ith vitality, a low-brow, and a huge carcase of a man. He sprang into fame as the leader of the Kilafat gitation on behalf of Turkey against the British after he War. In those days he was the ally of Congress nd a sharp thorn in the side of the bureaucracy. But or many a year he and Congress had been estranged. He seemed at the Round Table indistinguishable from he average loyalist conservative. On his return he eemed to be the leader of the Muslim masses in Bom- ay, which engaged about this time in savage anti-Hindu riots. And now this unstable but powerful fig- ure, who knows the art of swaying millions, led the mpulse for unity.

It was the Pundit Malaviya who led on the Hindu side. Imagine a rather frail, but very dignified old man, as distinguished as he is courteous, a highbrow, a keen legal intellect, a Brahmin aristocrat and the head of the University of Benares. A little more moderate than the average Congress leader, he was none the less arrested and imprisoned in one of the Bombay demonstrations. A liberal in social questions, Malaviya is at the same time regarded as a leader of Hindu orthodoxy.

The work that these men did may be summed up in two sentences. The Muslims have given way over the main question—the establishment of a single Indian electorate. The Hindus have given way with wise generosity over everything else. I have written in an earlier article about the baffling Indian system of separate electorates, but I may briefly refresh the unfamiliar reader's memory. Hindus and Muslims are registered everywhere in distinct electoral units, vote apart for candidates of their own religion, never meet on any common political ground, never learn to coöperate, and by this adroit mechanism in effect are prevented from forming common parties with a secular basis. Invented ostensibly to prevent majorities swamping minorities, it has in effect delayed the realisation of Indian nationality. The assumption is that the fundamental divisions among men are on the lines of creed rather than economic interest or social and political opinion. This at last the Allahabad Conference has swept away. It accepts a single electorate for all Indians. The minorities will, however, be reassured, firstly, by the "reservation of seats". Certain agreed percentages of Muslims and Hindus must always be elected, the choice in each case falling on those who poll the highest vote. But Muslims may vote for Hindus and *vice versa*. Parties may present lists of candidates drawn from all creeds, which means that we shall at last get secular parties, drawn from both creeds, presenting programs which will ignore religious dissensions, save that all must now profess tolerance and charity, if they hope to pick up any votes from the other camp. Reservation is not an ideal arrangement, but it will serve to allay fear, and fear is the worst obstacle to unity. Less admirable is the arrangement by which every elected member must draw at least 30 per cent of his votes from his own creed. This does not spoil the chances of joint action and mutual influence, though it keeps alive some sense of separation. It will, however, disappear in ten years. These are almost exactly the provisions of Mr. Gandhi's settlement with the Untouchables.

ON the other side of the account, the Hindus have recognised that the Muslims are in a bare majority in the Punjab and Bengal. That does not matter if they are no longer to be grouped in an exclusive communal party.

The odds are, I fear, that this settlement, because it is not perfectly unanimous, will not be recognised by the British government, nor embodied in the Round Table Constitution. That only means that this Constitution will have less chance than ever of receiving the assent of the mass of the Indian nation.

I will remind myself once more of the need for caution. There have been pacts before this Allahabad agreement which seemed for a moment to win general assent, only to be dropped when the first fervor of fraternisation had cooled. If, even now, a group of criminal fanatics could organise a series of more than usually bloodly communal riots, can one be sure that unity would survive? I am not sure, but I have reasoned hopes. This is a more careful, a more scrupulous, a more generous piece of work than any that went before it; it leaves no loophole for reasoned fear. Secondly, the economic depression is so deep that the masses in their hunger must come together. Thirdly, I believe that the Government, by its relentless war on Congress, has exasperated virtually the whole population. It is weary of being ruled by the *lathi*. The moderates, negligible in numbers, are no longer the Government's reliable partisans. They cannot be trusted, when responsibility comes, to serve as its tool in repressing Congress. If, as I believe, the mass of the Muslims is now won for the national cause, the end of the struggle is doubtful no longer.

H. N. Brailsford

London, December 12, 1932.

Dividends Soar, Wages Drop

PAUL H. DOUGLAS

THE claim has frequently been made that all classes have suffered equally during the present depression and that while the absolute hardships of the urban wage-earners may have been greater than those of the owners of industrial, commercial and financial property, their relative losses have been no larger. It is important, therefore, to consider the actual facts, and after this is done to draw certain conclusions as to a proper public policy for the future.

The United States Bureau of Labor Statistics assembles monthly figures on the total amounts paid out in wages by some 16,000 manufacturing concerns which in 1929 employed approximately 4.2 millions of workers, or about 45 per cent of the wage earners who were then engaged in manufacturing. The relative amounts which were thus paid out are shown in the following table:

Relative Total Amounts Paid Out in Wages by Manufacturing Establishments Reporting to the U. S. Bureau of Labor Statistics.[1]

Year	Relative Amounts Paid out in Wages (1926=100)
1926	100
1927	97
1928	95
1929	100
1930	80
1931	60
1932 (1st six months)	46
1932 (June)	39
1932 (September)	38

It will be seen from this table that the total amount paid out in wages by American manufacturers did not increase from 1926 to 1929; it was the same in the latter year as in the former. During 1930 the total fell by 20 per cent, to a relative of 80, and during 1931 the total fell 20 more points, or 25 per cent, to 60. The amount paid to the workers has continued to decline during the present year. By June it was only 39 per cent of what it had been in 1929 and 1926, and by September only 38 per cent. This great decline in total wage payments was the result of three associated features of the depression, namely: (1) the decrease in employment; (2) the short-time worked by a very considerable fraction of the wage-earners who were still fortunate enough to have a job; and (3) reductions in the hourly rates of pay of those employ

It is of course true that against these reductions the total wage payments should be set the decrea in the cost of living during this period. If we ta the average for 1929 as 100, then the average f 1930, according to the surveys of the Bureau of Lab Statistics, was approximately 97, and for 1931 appro mately 88.[2] By June of this year the cost of livi index, however, had fallen to 80, a decline of 20 p cent from the 1929 level. If we divide the index relative total wages paid to the workers by the inde of urban living costs, our resultant indexes of the rel tive actual purchasing power of total wages are a follows:

Year	(1929 = 100)
1930	82
1931	68
June, 1932	49

The real wages of the workers in manufacturin were, therefore, 18 per cent less in 1930 and 32 pe cent less in 1931 than they had been in 1929. By June of this year they were approximately only half of what they had been three years before.

THE manufacturing wage-earners have, of course, not been the only ones who have suffered. Those in other industries have lost as well, as is shown in the boxed table (page 612) covering 14 non-manufacturing groups, which probably employed in 1929 not far from six million workers.

A study of this table shows how deeply the depression has cut into the real income of these groups of workers. The total wages of the bituminous coal miners were in September only three-tenths of what they had been in 1929, while those of the anthracite miners were less than one-half of what they had been then. The metalliferous miners have fared far worse, since their total was only about one-sixth of what it had been. The workers in quarrying and petroleum producing were down to the level of those in bituminous and anthracite mining respectively. While the workers in other industries did not suffer as severely as those in the five mentioned, their losses were nevertheless heavy.

It is notorious that the railroad workers have suffered greatly during the depression, as is evidenced by the fact that the total amount paid out in wages and salaries in April of this year was only 54 per cent of

[1] *Monthly Labor Review*, July 1932, p. 202; *Ibid.*, April 1932, p. 277; *Ibid.*, September 1932, p. 1178. The statistics up to and including 1931 are for 54 industries. Those for January 1932 are for 89 industries and these have been adjusted to allow for the difference between the two sets of indexes in 1931.

[2] See the results of the periodic cost of living surveys in 33 cities, published in the *Monthly Labor Review*, August 1931, p. 451, and April 1932, p. 886.

Relative Total Amounts Paid Out in Wages by Certain Non-Manufacturing Industries in 1930, 1931, and the first part of 1932 as Compared with 1929.[3]

Industry	Relative Total Amount Paid Out in Wages (1929 = 100)				
	1930	1931	Average Jan.-June 1932	June 1932	Sept. 1932
1. Anthracite Mining	95	75	58	37	47
2. Bituminous Mining	81	58	39	27	30
3. Metalliferous Mining	78	45	26	20	17
4. Quarrying and non-Metallic Mining	79	53	30	30	30
5. Crude Petroleum Producing	86	62	46	45	42
6. Telephone and Telegraph	103	94	86	82	76
7. Power and Light	104	97	85	81	75
8. Electric Railway and Motor Bus	94	83	72	69	62
9. Wholesale Trade	96	84	71	66	63
10. Retail Trade	96	87	73	68	65
11. Hotels	99	85	70	64	59
12. Canning and Preserving	96	66	35	41	75
13. Laundries	—	84	72	69	63
14. Cleaning and Dyeing	—	80	65	66	61

he amount thus distributed by the railroads in December 1924.[4] Since April, of course, the wage bill has till further decreased.

The building workers also have lost heavily, since he estimated total expenditures for construction in 1931 were only 29 per cent of what they were in 1926 and only 40 per cent of what they were in 1929.[5] This year the bottom has dropped still farther in the construction industries.

I have not as yet tabulated the precise average decline for all 17 of these groups, but from preliminary computations it would seem that by June of this year the total wage payments to these groups could not have appreciably exceeded 45 per cent of the 1929 level and may not have been even as high as that. Such a figure would have meant a decline of 44 per cent in total purchasing power as compared with that of three years before.

LET us now compare with these losses by the wage-earners the relative fortunes of the owners of non-landed property. Their "paper" wealth has of course declined greatly through the fall in the prices of securities. Thus the Standard Statistics Company's index of stock prices was in June of 1932 only slightly over one-seventh of what it had been in September 1929.[6] The decline in bonds while of course much less was still appreciable.

But while the paper wealth of the owners declined in this fashion and while the net profits of corporations fell off very markedly, the cash income of the owners of American corporations, because of the previous policy of most corporations in building up reserves for the protection of the stock and bondholders, was maintained to a truly remarkable degree. This fact is attested by the data published by the Standard Statistics Company concerning the amounts distributed in dividends and interest by all American corporations since 1926. Since those figures were collected and published by the largest and most important statistical concern used by big businesses, they cannot be accused of coming from either incompetent or anti-capitalistic sources.

Total Interest and Dividend Payments by American Corporations by years, 1926-1931, According to the Standard Statistics Company.[7]

Year	Total Dividend and Interest Payments (in millions of $)	Relative Amounts (1926 = 100)
1926	4391	100
1927	5571	129
1928	6028	137
1929	7588	173
1930	8578	196
1931	8228	187
1932 (first 9 months)	5413	
1932 (estimated)	6800—7200	155—164

It may be noted that the payments of interest and dividends rose, from 1926 to 1929, by no less than 73 per cent, or from 4.4 to 7.6 billions of dollars. The actual payments were as a matter of fact virtually a full billion dollars more in 1930 than they had been in 1929, or 96 per cent more than they had been in 1926. This was for the most part made possible by some of the large earnings which were made in 1929 but which were not distributed until the following year. While the total of such payments fell in 1931 by about 350 millions, the level was still approximately eight per cent above that of 1929 and no less than 87 per cent above that of 1926. During the first nine months of 1932 the total distributed by the corporations in dividends and interest was slightly over 5.4 billions of dollars. At this rate the total for the year will probably range between 6.8 and 7.2 billions. The former figure would still be 55 per cent above 1926, even if 11 per cent below 1929; while the latter would be 64 per cent above the 1926 total and only five per cent below that of 1929.

Thus we are led to the following startling conclusions[8]:

1. American dividend and interest payments by corporations increased by approximately 73 per cent between 1926 and 1929, while total wage payments in manufacturing remained stationary.

[3] *Monthly Labor Review*, July 1932, pp. 208-209; *Ibid.*, April 1932, p. 981.
[4] Compiled from the monthly bulletins on Wage Statistics, issued by the Interstate Commerce Commission.
[5] *Monthly Labor Review*, April 1932, p. 886.
[6] 216.1 in September 1929, and 33.5 in June 1932. See Standard Statistics Company's *Statistical Bulletin*, November 1932, p. 7.
[7] See *Base Book, Standard Statistical Bulletin*, January 1932, p. 47; *Statistical Bulletin*, November 1932, p. 6.
[8] It is of course probable that were the income from urban real estate and from unincorporated concerns included, the disparities cited would not have been so great.

2. In 1930 interest and dividends increased between 13 and 14 per cent as compared with 1929, or to a height of 96 per cent above 1926, while wages in manufacturing were 20 per cent below their level for that year.

3. In 1931 interest and dividend payments were still above those in 1929 and 87 per cent above those of 1926, while wage payments in manufacturing were 40 per cent below their totals for both 1926 and 1929.

4. While dividend and interest payments did begin to fall off in 1932, wages declined still more. While wages in manufacturing for the nine months from January to September, 1932, averaged less than 43 per cent of their totals in 1926 and 1929, the dividend and interest payments were at a rate only five per cent below those of 1929 and 64 per cent above those of 1926. It should moreover be remembered that the fall in living costs made the gain in the real income of the stock and bondholders even greater than is indicated by the monetary figures alone.

FROM the widely varying fortunes of the wage-earners and the owners of industry during this depression and the years which preceded it, we may draw at least four morals:

1. Since it has been the industrial wage-earners and the farmers, and not the owners of industry, who h borne the brunt of the depression, it is highly im tant to keep that fact in mind when plans are laid future taxation or for the financing of relief. earnings of the workers have in fact been cut to s a point that to throw heavier burdens upon them in form of a sales-tax, or forced contributions to un ployment relief in money or shared-work, would putting the load upon those classes in the urban c munities which have been most severely deflated.

2. It is highly dangerous to society for such an flation of profits to occur as did actually happen d ing the seven years from 1923 to 1929 inclusive. I this great rise caused on the one hand the great spe lative mania of those years which ultimately ruined many and which served to debase our national sta ards. On the other hand, it led to the expansion capital equipment at such a rate that the increa quantity of consumers' goods when finally turned could only be sold at such greatly reduced prices to help precipitate the depression itself. It would u mately have been far better for America had profits of these years been greatly reduced, whether an increase in money wages or by a slow decrease prices.

3. It is manifestly grossly inequitable that only owners of industry, who need such protection the lea should be the ones to be protected. The accumulati of some reserves to help stabilize the money incon of the owning classes through bad times is in itself r to be quarrelled with as long as we have the capitalis system. It has lessened the hardships which ma small and middle class holders of property wou otherwise have suffered. But if this is a good pol for the owners of capital to adopt for themselves, is absolutely necessary that society should adopt it f the workers who need such protection far more. V should build up through unemployment insurance sir lar reserves to protect labor when it is thrown out employment and deprived of an income.

4. It would probably be desirable for the Feder government during periods of prosperity to levy a t upon the excess profits of corporations which wou be used to help finance outright relief for the une ployed during periods of depression as well as to he finance a well-considered program of public works.

This Week's Anniversary

WOODROW WILSON

BORN DECEMBER 28, 1856

It must be a peace without victory. It is not pleasant to say this. . . . I am seeking only to face realities and to face them without soft concealments. Victory would mean peace forced upon the loser, a victor's terms imposed upon the vanquished. It would be accepted in humiliation, under duress, at an intolerable sacrifice, and would leave a sting, a resentment, a bitter memory upon which terms of peace would rest, not permanently, but only as upon quicksand. Only a peace between equals can last. Only a peace the very principle of which is equality and a common participation in a common benefit. The right state of mind, the right feeling between nations, is as necessary for a lasting peace as is the just settlement of vexed questions of territory or of racial and national allegiance. . . . The world can be at peace only if its life is stable, and there can be no stability where the will is in rebellion, where there is not tranquillity of spirit and a sense of justice, of freedom, and of right.—*From an address delivered to the United States Senate, on January 22, 1917.*

A Request

We would be grateful for the return of any extra copies readers may possess of our issues for January, February, March, July, September 14, October 5 and December 7 of this year.

THE WORLD TOMORROW, 52 Vanderbilt Ave., N.Y.C.

The Bankers Rule New York

HENRY J. ROSNER

THE New York State Legislature has just met in special session to give the City of New York the power to reduce its 1933 budget 40 million dollars. This is to be accomplished by a 20 million dollar wage cut and for the remaining amount by methods as yet undefined. The banking fraternity in New York City openly dictated the calling of this session by withholding from the city loans required to meet maturing obligations, unemployment relief needs and payrolls.

The city is completely at the mercy of the bankers. To meet payrolls between now and May, 200 million dollars must be borrowed. The city's taxes are not collected until May although its fiscal year begins in January, so that money must be borrowed in anticipation of taxes. The city needs five millions a month for unemployment relief. To provide that sum the bankers must purchase and market city securities, since such relief is financed outside the budget by the sale of five-year bonds. The city has no other place to turn for help. The bankers with the assistance of the Seabury inquiry have so completely destroyed confidence, though unwarrantedly, in the ability of the city to meet its obligations that an attempt to sell securities directly to the investing public is certain to meet with failure.

According to a statement issued by the Comptroller on December 2, the city will have to borrow 144 million dollars to meet obligations maturing during December. The newspapers of New York which have been hailing the bankers as saviors immediately seized upon this figure as the city's operating deficit during 1932 and used it to support the bankers' demand for still greater budget reductions. Close analysis discloses that the true deficit will be considerably less, or about 75 million dollars. A number of disbursements for which funds must be borrowed are financed outside of the city's budget. For example, 21 million dollars to be spent upon public improvements and unemployment relief are usually financed by the sale of bonds. Another 24 million dollars which must be paid back to the banks was borrowed to meet teachers' salaries in anticipation of the state's contribution to the 1932 educational budget. Because the state's fiscal year closes in June, whereas the city's ends in December, this payment is not due until the end of January 1933. The state undoubtedly will meet the obligation. The Comptroller announced the day after his statement that another $22,500,000 had been collected in taxes somewhat unexpectedly. Deducting all these sums leaves an actual operating deficit of 75 million dollars, caused by the lag in tax collections. These taxes, unlike state and federal taxes, constitute a first lien on real property. If at the end of three years they are still unpaid, the city can foreclose and sell the property for taxes so that any money borrowed to meet this deficit will undoubtedly be paid back. In most instances the threat will be more than sufficient.

IS there any reason for getting terribly excited about a deficit of 75 million in a municipal budget of 631 million dollars in the third year of the worst depression of our history? The answer is an emphatic no, particularly in view of the fact that both the federal and state governments are running even larger deficits and have no trouble getting the banks to carry them.

The United States government has had a deficit since June 1930 and in that period of two and one-half years has borrowed over four and one-half billion dollars to meet current expenses. The bulk of this has been provided by the banks. For the first few months of the current fiscal year the federal government has had a deficit of 750 million dollars. The rate will be cut down after January 1 because the new income tax rates will then be operative. Even so, the Secretary of the Treasury estimates that the deficit for the fiscal year 1932-1933 will be 1,150,000,000 dollars in a budget of four billion, a deficit of about 25 per cent. New York State, with a budget of almost 300 million, is running a deficit of not much less than 100 million, or 33 per cent. Contrast this with the city's deficit of 12½ per cent.

Neither state nor federal governments could meet their payrolls in full at the present time without the assistance of the bankers, yet they have no difficulty in borrowing money. The federal government now borrows more cheaply than ever. In October, 90-day treasury bills, totalling in one case 75 million dollars, were sold to the banks at one-seventh of one per cent; in another instance 107 millions were sold at one-fourth of one per cent. In the same month, New York City paid 5¼ per cent interest on a loan of $21,500,000 maturing in seven months, a rate of interest between 20 and 35 times higher.

WHY, then, the discrimination? One reason is that the bankers are seeking to force a higher fare on New York City's rapid transit lines. It is very significant that the banking officials dictating to the city represent banks closely tied up with the city's

two large traction companies. Charles Mitchel is President of the National City Bank, whose security affiliate, the National City Company, is the banker for the Interborough Rapid Transit Company. Winthrop Aldrich is the president of the Chase National Bank, whose security affiliate is the banker for the Brooklyn-Manhattan Transit Company.

The bankers never have said publicly that the city should allow the companies to raise the five-cent fare. They have disguised their objective by demanding that the city make all of its revenue-producing utilities completely self-sustaining. The 1933 budget will include 25 million dollars to meet the interest on the city's investment in subways. The bankers demand that the tax budget be reduced 20 million dollars in addition to the million dollar salary cut. This cannot be done unless the interest charges on the city's rapid transit debt are transferred from taxes to fares by increasing the fare from five to seven or eight cents.

Such an increase in fares will enormously enhance the values of existing traction securities. Both of these security affiliates have large holdings of B. M. T. and I. R. T. stocks and bonds. They will benefit in one of two ways. Either they will sell at higher prices prevailing in the market due to the increase in fare or they will sell their interests to the city as part of a plan to unify the operation and ownership of all of the city's rapid transit lines. Obviously, a higher fare will make a larger price possible. With an increased fare, the unified system would be able to carry a greater burden of capitalization. The present private interests would undoubtedly get their share of the increased capitalization. The companies have defeated all previous efforts at unification by demanding a price of close to 600 million for their interests. Impartial students have maintained that 400 million would be a fair price. A five-cent fare would yield enough revenue to meet all interest charges at this lower price but not at the higher price—which explains the failure of previous unification efforts. With the higher fare, the decks will be cleared for unification at the companies' price.

THE banks, which as large investors in New York real estate, have been compelled in 1932 to foreclose on a billion dollars of real property in New York City, are naturally interested in cutting real estate assessments and reducing their tax bills. Hence, their insistence that large cuts in the budget be brought about by pay cuts, higher fares, and curtailment of the city's social services.

In justification of pay cuts, the bankers argue that real wages have increased, due to the 20 per cent decline in the cost of living. They neglect to apply the same logic to the income derived from bonds and mortgages. If New York City's interest charges on its long-term debt were cut 20 per cent, the annual s would be $22,000,000—a sum in excess of the posed wage cut. If the interest rate on real estat mortgages was reduced from six to five per cent estate owners in the greater city would save $ 000,000 annually—two and a half times the budg now demanded by the bankers. What is sauce fo goose should be sauce for the gander. I cite facts because budget reductions of the type templated would be unnecessary if bond and mort interest rates were reduced. Under the federal stitution no such reduction can be made withou consent of the creditor—which has been hitherto nied. The big bankers alone could force such a re tion in the same way as they are compelling a re tion in taxes. But naturally they prefer to let the service worker and the subway rider carry the bur because the alternative would mean reducing their incomes as mortgage and bond holders.

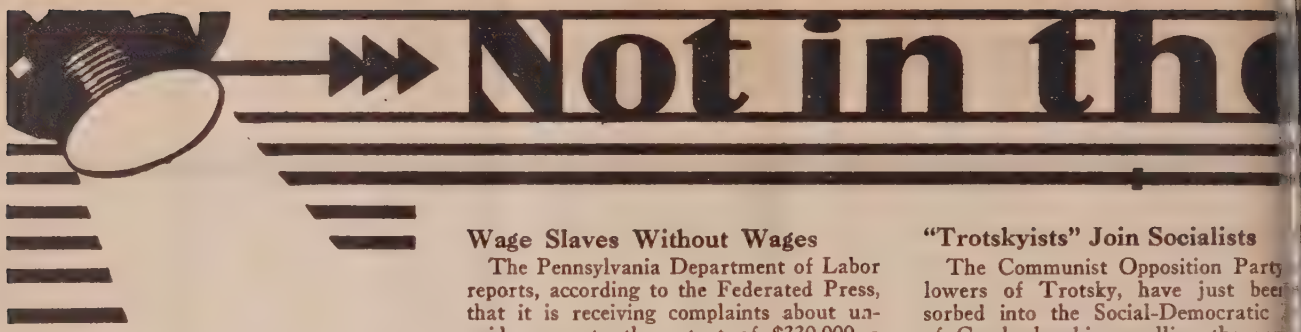
What they do not seem to realize, however, is this policy is suicidal to their own economic sys The net result is a further contraction of the bu power of families with incomes of $3,000 a yea less, who purchase 75 per cent of the goods and vices in the United States, and an increase or m tenance of incomes of $10,000 a year or more. depression will be deepened and intensified just so l as this policy of contracting purchasing power inst of expanding it is pursued. Increased buying powe a prerequisite to increased production and empl ment. The longer the depression, the more difficul will be for the banks to keep their doors open.

With their surplus funds idle in the vaults, bankers are in a position to break the back of the pression by advancing credits which will make possi the expansion of buying power. A great city like N York is one of the most logical agencies through whi this can be done. Its ability to tax the wealthiest re estate in the world makes it a good credit risk. I stead of increasing the ability of the city to put m to work through an accelerated program of pub construction, they forced the city last spring to de full-time employment to 100,000 men by refusing finance a $300,000,000 program of necessary publ improvements, such as schools, hospitals, and subway Not content with causing this tremendous decline purchasing power, they are now forcing wage cuts an higher fares.

The story of New York is the story of the natio It is typical of what the bankers—the real arbiters o our political, social and economic destinies—are doin throughout the country. The moral is plain. The must be stripped of their power through socializatio of the banks. A great city could begin by establishin a large municipal bank. With such a bank New Yor would not now be at the mercy of private financiers.

The Triumphal Path

From a drawing by Albert Daenens



Noble Example

The University of Pittsburgh's demand of an oath of loyalty to the country and to the university from its students has found enthusiastic support—in Fascist Italy. A note of approval, obviously inspired, was sent from Rome and reprinted in many papers. The *Giornale di Sicilia,* published in Palermo, prints the Rome despatch on the front page. After recounting the Pittsburgh incident, the Rome release goes on: "This incident may serve as an earnest warning to certain representatives of so-called anti-Fascism, who raise "a howl of protest" every time the government asks, as is its duty, that Italian university teachers educate youth to be Italians, that is, Fascists." It may be added that all Italian university teachers are now compelled to take the Fascist oath or lose their positions.

Danish Workers Against Transporting Arms

Steamship firemen's, sailors' and harbor workers' trade unions in Denmark, according to the War Resisters' International, have passed resolutions against transporting munitions, and have demanded the right to inspect cargoes.

Denouncing the Sales Tax

The adoption of the sales tax under present conditions, declared Professor Ernest Minor Patterson, one of the nation's leading economists, "would be little short of a calamity." Addressing the national conference on the relation of law and business at New York University, Professor Patterson condemned President Hoover's proposed sales tax as "not progressive but regressive" and as restrictive upon business at a time when transactions should be facilitated, not discouraged."

Fellowships for Colored Students

The National Urban League announces its annual competitive examination for Fellowships in social work for Negro students. Applicants must be graduates of or candidates for graduation from accredited colleges. Applications must be filed before January 15, 1933, on forms furnished by the League. Requests for further information or for application blanks should be addressed to Eugene Kinckle Jones, Executive Secretary, 1133 Broadway, Room 826, New York, N. Y.

Wage Slaves Without Wages

The Pennsylvania Department of Labor reports, according to the Federated Press, that it is receiving complaints about unpaid wages to the extent of $330,000 a year, as compared with $114,000 of such claims in 1931. The department is considering the California wage-collection law, under which the state collects unpaid wages without any charge to the worker. The only recourse Pennsylvania workers now have is to enter civil suit, which in most cases they cannot afford.

Students Publish "Revolt"

A new monthly magazine named "Revolt" is being published by the Intercollegiate Student Council of the League for Industrial Democracy. Brightly edited by Joseph P. Lash and an alert advisory board, the paper bids fair to make a name for itself among the more rebellious student groups throughout the country.

Negro Low Suicide Rate

An extraordinary study of Negro and white suicides over many years in Birmingham, Alabama, made by Professor Kenneth E. Barnhart and published in *Opportunity—Journal of Negro Life* for November, indicates that the suicide rate does rise, in accord with popular opinion, in periods of economic depression; but that the Negro race, being used to life close to the poverty line and supported by religious and other factors, does not follow the increase in suicides among whites. The following table, covering the past ten years, is significant:

RATE OF SUICIDE BY RACES
City of Birmingham, 1922-1931

Year	*Race*	*Number*	*Rate per 100,000 Pop.*
1922	White	17	14.1
	Negro	0	—
1923	White	14	11.1
	Negro	1	1.2
1924	White	25	19.1
	Negro	3	3.6
1925	White	26	19.2
	Negro	2	2.3
1926	White	32	22.8
	Negro	2	2.2
1927	White	38	25.9
	Negro	2	2.2
1928	White	29	19.1
	Negro	4	4.2
1929	White	38	24.2
	Negro	4	4.1
1930	White	42	26.6
	Negro	0	—
1931	White	46	27.6
	Negro	3	2.9

"Trotskyists" Join Socialists

The Communist Opposition Party lowers of Trotsky, have just beer sorbed into the Social-Democratic of Czechoslovakia, swelling the ran the latter by approximately 10,000 bers.

New Gains for Canadian Labor

Municipal victories for the Can Labor Party are reported from Win and Calgary. In the former, Can third largest city, the party elected of its ten nominees for office and within 771 votes of electing the m In Calgary, five out of the seven v cies on the city council went to L Party candidates.

Six Killed Every Minute

During the World War, according *The New Leader* (London), on an a age six men were killed every minute

Bankrupt Liabilities Up 508 Per Cent

The University of Buffalo Rese Bureau reports that liabilities of busi failures in Buffalo have jumped 508 cent in one year. Steel production in city dropped 51 per cent from Octo 1931 to October 1932, while building mits fell 84 per cent and the numbe jobless rose 35 per cent.

Keeping the Cotton Crop Down

Prospective production of cotton in A bama on November 1 was 860,000 ba as compared to 1,420,000 last year 1,473,000 in 1930, reports the Federa Press. The great reduction is to be tributed in part to the advice of the N tional Farm Board to plow under ev third row, although foreclosures w doubtless a great factor in the drop production.

Socialized Dentistry Imminent

The prospect of the socialization of de tistry in the very near future was the su ject of discussion at the sessions of t Greater New York December Meeti for Better Dentistry. "The dental pr fession," declared Dr. John Hanks, about to be faced with a proposition p litically sponsored to set up socializ dentistry, and in order to anticipate su a move the profession should get up own plan, so that if it is put into oper tion only the highest ethical standar would govern it, under the control of t dental profession and not by politician

Headlines

tant Farmers Demand Relief

ting unanimously, 332 dirt-farmer ates to the Farmers' National Relief erence held at Washington, Decem-, passed a resolution demanding half lion dollars in cash for federal re- The resolution declared that this was necessary to raise all rural fami- to a minimum health and decency ard of living and proposed that dis- tion be made "regardless of color, or creed", by local committees to be ed by the destitute farmers.

iet Recognition in the Offing?

he Federated Press reports that a poll embers of the Senate Foreign Rela- Committee reveals that nine mem- definitely favor recognition of Soviet sia, five are opposed and seven are tful. Those favoring recognition are: ah, Johnson, La Follette and Cutting, blicans; Shipstead, Farmer-Labor, Robinson, Walsh (Mont.), Wagner Black, Democrats.

End Deportation Evils

bill to stamp out star-chamber prac- in the deportation of aliens has been ted for introduction in Congress. The ors of the measure are Reuben Oppen- er and Howard E. Wahrenbrock, members of the Wickersham com- ion investigating deportation. The would compel the swearing out of rants before arresting aliens and create ard of appeals with wide powers.

urance Racketeering Beaten

lass picketing by organized unem- ed in Chicago has been successful, re- s the Federated Press, in the demand relief authorities "abandon their understanding with insurance rack- ers." A new ruling provides that no son over 55 need surrender his insur- e policy in order to obtain relief.

th Control Clinic in infield?

The Board of Physicians of the hlenberg Hospital, at Plainfield, New sey, has passed favorably on the recom- dation made by the Plainfield Com- tee of the New Jersey Birth Control gue, to establish a birth control clinic the hospital. Pending the decision of Board of Governors, according to the *th Control Review,* plans are going ward to defray the expenses of such a ic when permitted.

A. F. of L. and War Mongers

Private profit must be eliminated from the production of materials for national defense, in order to curb the "sinister activities of war mongers and patriots for profits." This resolution was adopted at the annual convention of the A. F. of L.

Farm Mortgages

The United States Department of Agriculture reports that farm mortgages in this country amount to $9,241,390,000, on which the annual interest is $564,000. The value of the entire wheat and cotton crop of the country at October 15th prices was only $600,000,000.

Wages Drop 46%, Living 23%

Earnings of farm and manufacturing workers appear to have been cut in about the same proportion since 1929, and cut almost twice as much as the cost of living has fallen, according to the Association Press report on statistics revealed by a United States Survey of current business. Average weekly earnings in 24 manufacturing industries in 1929 were $28.52; in August this year they were $15.35. Over the same period average farm wages without board have fallen from $49.08 to $26.36. Industrial wages dropped 46.1 per cent; farm wages 46.9 per cent. In the same period the cost of living fell 23.2 per cent.

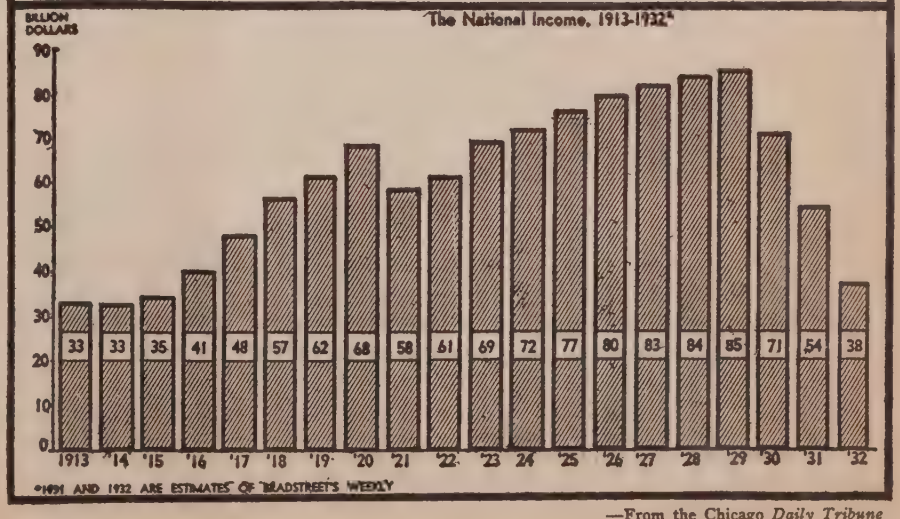
Dismissed for Pacifism

A case of dismissal of a young man in a British factory who expressed unwillingness to be transferred from a designing to a munitions department, has been reported by the War Resisters' International. Likewise, a woman teacher has been dismissed for not participating actively in a militaristic celebration of Empire Day. Both were members of the Society of Friends.

Prosperity's Mythical Return

After citing facts and statistics indicating that the business curve has risen toward the depression level of 1931 but has not even reached that height; that commodity prices have been falling for several weeks, and have now reached the low point of June; that production and employment have now turned down again; that while certain industries involving consumers' goods showed a slight gain, primary industries, like steel and construction, were less affected, and that "there is no sign of a continuation of revival in important financial factors," the December issue of *Facts for Workers* concludes that "the so-called revival has petered out. It is encouraging in the sense that the former steady downward trend was arrested, but it offers no evidence that the depression is over."

National Income Is Back at 1915 Level



—From the Chicago *Daily Tribune*

Has the Church College a Future?

WILLARD E. UPHAUS

AT present 278, or approximately one-half, of the four-year colleges in the United States are affiliated with one or another Protestant denomination. The grounds and buildings of these institutions were in 1929-30 appraised at $350,000,000. Their equipment was valued at another $50,000,000. Their productive endowment then stood at $464,000,000. In this same year the 278 institutions spent $58,000,000 on stictly educational work, an average of $342 per student. Additional expenditures on auxiliary activities brought the total to $90,000,000, an average of approximately $500 for the 182,748 students enrolled. The figures, representing the expenditures by Protestant denominations only, are indicative of a sacrificial outlay of material wealth, human energy and spiritual devotion. It is difficult to imagine what hundreds of American communities in particular, and the public welfare in general, would have been like without the positive influence of the church college.

BUT the church college today is facing serious problems—problems that are being intensified by the present economic debacle. There is first the problem of maintenance. Dr. Frank W. Padelford, the Executive Secretary of the Board of Education of the Northern Baptist Convention and one of the keen analysts of the situation, in a recent annual report reminded his denomination of four factors in this connection that have to be faced frankly and fearlessly. First, there is the tendency for church colleges to divest themselves of denominational control as they grow stronger. It is encouraging to see the child of the church grow strong enough to direct its own course, but may it not in so doing run grave risk of accepting doubtful criteria of success? Second, rapidly developing junior colleges in our American cities are attracting so many students that weak denominational institutions are having to close, consolidate with other institutions, or become junior colleges themselves. Third, the increased cost of education may force the church out of higher education. Can she bring her colleges up to the requirements of standardizing agencies in the face of the immense endowments going to a few independent institutions and the enormous sums provided by legislatures for state schools? Fourth, the church finds it increasingly difficult to equip her colleges to meet the general rise of standards—not only for buildings and money, but for a more highly trained personnel to man her institutions. These factors raise the serious question as to whether the church college can keep up the pace set by independent and st schools. Will higher education inevitably pass out the hands of the church as have elementary and s ondary education? Some students of educational h tory predict such an outcome.

Then there is the question as to whether the chu college is filling a need distinctive enough to warra its continued existence. Critics who are concerned wi the moral and religious strength of her graduates a the ethical quality of life on the campus are becomi vocal. They are asking whether the church college h not already drunk too deep from the polluted econon stream, to which so many doubtful, unethical trar actions in public life have been tributary. Has t eager adherence to the standards of accrediting age cies, with their emphasis on buildings, equipment a degrees, gradually destroyed its unique reason for exis ence? Has big business, wielding a subtle but powerf influence, put too severe a strain upon Christian ethic Has the passion for material expansion led presiden and boards to accept emoluments that tie their hands

The standardizing process of a machine age h been responsible for an educational and spiritual steri ity. Church colleges have joined with other institutio in measuring education in terms of so many units fo entrance and hours of credit for graduation. Educ tion has been transmissive instead of creative. Thoug and action have followed certain stereotypes. Th curriculum has been formally arranged and hande out in doses. Students and faculty members do n presume to apply curricular experience to the immed ate task of correcting social situations. Small minor ties, working in a voluntary capacity, may undertak such activity, but it is unthinkable that the main bus ness of the institution is to integrate intellect, moto activity and worship into a functional approach t campus and community problems. The transmissiv method has affected religion as well as education. Th blind acceptance of an inherited religion, or possibl the apathy and open opposition due to a misinterpret tion of religion, have left students in many colleg almost completely ignorant of actualities, of resource for building their characters, and of methods for crea ing necessary changes. Many have fallen victim to th mental paralysis of the speculative intellectual wh postpones action on vital matters until all the evidenc is in, at the same time knowing well that it never wi all be in. One who follows the more progressive co ferences is struck by a certain wistfulness among st dents, but he is at the same time impressed with th

of sensitivity to particular issues, the want of abil- to analyze significant factors in living situations, a marked indisposition to make transformations.

ROPHECY may prove gratuitous, but the present situation leads me to hazard some suggestions as changes that may be expected if the church college o perform a distinctive and useful function in the ure.

The church college, in the first place, will offer a ad, liberalizing experience during the first two rs that will make the student fully aware of the ure of the world in which he dwells, the issues in nan society crying for understanding and solution, of the moral and spiritual resources resident in universe available for constructive endeavor.

True awareness will involve more than the impartan of knowledge and the regimentation of the ordiy classroom and credit system. It will require in place of a confusing assortment of unrelated rses the complete reorganization of the materials education around basic human issues. To book inmation will be added direct contact with living situons. Recent excursions to radical political centers, ramshackle apartment houses, and to numerous er places in New York City where abject poverty d destitution prevail did more to awaken in me an pelling desire to help reconstruct our present outded political and economic institutions than any bal descriptions I had ever heard or read. True areness will result, also, in a world-view—in a owledge of the forces that make and break civilizans. It will develop the sense of connectedness, of sal sequence. It will seek to make students less ng-minded, and more time-minded. Such orientation l vivify the problems of contemporary civilization, ist the student to self-discovery of his powers and ovide sufficient flexibility to shift from one direction another as unexpected interests and abilities are akened. Real awareness will include, not only tual information, but also a deep desire to do someng about the conditions.

Secondly, the church college will, as a result of a nplete awareness and a new reverence for truth, turally incite teacher and student to join in adventous living. They will share in intelligent efforts to uild our world, according to the basic principles d standards of Jesus. They will frown upon the n-committal habit of being balcony spectators in the esence of a world drama so full of tragedy. Adnturous living will begin right at home.

THE church college will become a laboratory in which religious principles will be worked out. It l seek to substitute for the spiritless formalities of igion a new reverence springing from intelligent inquiry and productive labor at points of human need. The college, the legal corporation, will govern its conduct according to Christian principles just as a person would. These principles will apply especially in the solicitation and investment of funds, in buying and selling, in engaging and discharging employees (including the faculty), in the direction of athletics and in relationships with outside agencies. Students and faculty will share in a self-directed social democracy. The deception and evasion in our system of external rewards will disappear. Degrees will be conferred, not for having accumulated hours of credit, but for having performed units of useful work, and for having developed an intelligent grasp of the problems of life. The task really becomes the difficult one of living in the world, transforming it, but not being of it. It goes without saying that such a college may have to change its conception of the physical requirements for an adequate religious education. There will be beauty, order and simplicity, but not extravagant ostentation at the risk of creating in students a false set of standards. Unless the church college fulfills a unique function in setting up and carrying through the definite specifications for an ethical social order, what claim has it to continue its existence?

Another function of the church college naturally follows. It will serve as a constant and penetrating critic of the whole of public education and life. It will scrutinize and interpret the advances of science, commerce and industry. It will teach students to subject all specialized skills, knowledges and attitudes to the requirements of moral judgment and the unifying principles of religion. The church college will keep spiritually free, so that it can throw a searching light upon unethical practices that general education seems disinclined to challenge. Areas of conflict in which the moral and spiritual implications need to be pressed hard are labor and capital, political corruption, war, poverty, crime and the denial of civil liberties. Having set up a free and untrammeled life upon the campus, and having exemplified within its own borders how conflicts may be resolved, it will be sufficiently conscience-free and courageous to cope with similar social, racial and economic cleavages outside.

SUCH changes will affect the educational method of the college. As already pointed out, subject matter will all be correlated around basic human interests —health, parenthood, civic responsibility, recreation, leisure, coöperation with peoples of other races, religions and nationalities, and the fundamental ends of living. The gap between the inert printed page and life—a strain even for the best minds—will be bridged. We shall distinguish between activity and ends. Students will be taught, not what to think, but how to think. Unity, not uniformity, will be the goal. While

there will be an increasing amount of specialization, students will never be relieved of the responsibility of generalization. Individuals and whole classes will leave the campus for indefinite periods with consultants and traveling libraries to test the principles of Christian living in areas of conflict. They will become moving fellowships of reconciliation. Professors will be available as guides and resource persons. Aside from giving a minimum number of basic courses at stated times, they will be subject to emergency calls as the exigencies of adventurous living demand. Students will have more to say about the nature of their environment. Traditional subjects will be useful in proportion to the way they help interpret the present through an understanding of the past.

Methods of instruction in religion will also change. The sole trust in authoritarian teaching will be given up. We shall not confine religion to courses, not even to departments. Religion will not evade the searching light of science. It will stand on its own merits. The emerging moral and spiritual problems will become the basis of instruction. Orientation, unification, synthesis, and meaning will come—not from so many formal courses in religion, but from seminars moving along under the guidance of groups of instructors from various fields, selected according to the nature of the problem in hand. Brief periods of profoundly serious study on vital phases of religion, coming just when the emotional setting is tense, quicken and deepen the learning process more than formal courses set without any regard for unforeseen contingencies. Papers will be written when students have something to say. Reports will be based, not only upon reading but upon experience, and given when overt action on some issue is pending. The incentive to crib will largely disappear, because achievement will be measured in such radically different ways. Religious instruction will evaluate the instruments of education, set up precise specifications in the way of knowledges, skills and attitudes required for making modifications in the environment. Secular courses will frankly, without being less scholarly, contribute to the ends set up. The deepest concern of students and faculty will be to discover the forces and influences that warp persons and build up a technique for personal and social living that will eradicate them.

IN the final analysis, any effective revision of higher education will depend upon the knowledge of the way character grows in our complex environment, and upon the development of a technique of social change. We shall not be misled by the belief that talking about change in the classroom will produce it. Religious meetings and instruction will be more critically examined to see how much transfer occurs in attitudes and relationships. Christian education will include the specific skills and enlightened preferances now demanded for ethical living. Instead of trusting wh to formal religious exercises, it will synthesize apply the materials of the social and physical scien and the perspective of history and philosophy, tow the ends of character. Recent analyses of religi courses taught in the church colleges show that a v large proportion of instruction is still informatio that there is too little emphasis on the process of ch acter development, and practically no organized eff through the curriculum to prepare students for act immediate leadership on the campus. There is little evidence of interpenetration between religion a other departments. The tendency still is to deleg the problems of religion to religious officials, as thou the whole drama of life were "not-inherently-reli ous" in significance.

These facts present a sharp challenge. Unless church college succeeds in providing a controlled vironment in which the finest imaginable character grow, and in which groups learn how to resolve c flicts and correct unethical situations, it cannot ma claims for existence not advanced by any other type institution.

"Unsocial and Unchristian"

The Christian ministry . . . should stand as a solid body against a system that has been responsible more than anything else for the universal distress of the hour. The existing orthodox capitalistic system is basically unchristian and unjust, and, like a vast Juggernaut, has crushed the hearts and hopes of millions of our fellow beings and driven them to despair, and should either be utterly destroyed or so thoroughly Christianized that it will become an instrument of service to all instead of a means of enrichment to a few.

One of the anomalies of all time is that many of the men whose moral delinquency has been responsible for our present economic situation, are not only members of churches in good and regular standing, but often occupy conspicuous official positions.

A recent scathing indictment brought against the Church is that the hands of the Christian Church are stained with the guilt of those who have wrought ruin and disaster in the economic system and brought untold suffering to millions of men and women and little children. The ethical standards of many leading men of the churches are no higher than the ethics of secular respectability, and one of the failures of the Church today is the failure to create in its members a type of moral character whose standards transcend the established economic system. The guilty wreckers of other people's fortunes have in most instances been professed Christians and it has probably never occurred to them that their speculations with other people's money was inconsistent with the profession of a Christian. . . . We denounce the competitive system and the profit motive as unsocial and unchristian.—*From the Report of the North Arkansas Conference Board of Temperance and Social Service, in the Arkansas Methodist, Nov. 10, 1932.*

The Book End

With occasional exceptions important enough to merit drastic criticism, THE WORLD TOMORROW *reviews only books which it believes, after careful evaluation, are of genuine worth.*

The Failure of Compromise

well To Reform. By John Chamberlain. Liveright. $3.00.

WHEN the litertary history of this decade is written, I think that the most significant feature to be noted will be crop of books on our recent past. Mark Sullivan's four mes on *Our Times,* Frederick Allen's *Only Yesterday,* and the English book, *Just the Other Day,* have enriched our literature given us far more insight into the meaning of our life than histories of other ages. It has long been one of my pet theories history should be taught backwards before it is taught for-ds, that we should begin an analysis of the past with a pretty ough analysis of our own times. Frederick Allen in his *Only terday* did the sort of thing which seems to me the most per- introduction to American history; he put the life of post-war erica on a swiftly moving newsreel and interpreted it with economic insight as he went along.

Ir. Chamberlain's work falls into the category of these use-books about our recent past. It is not so entertaining as *Only terday,* partly because it is less a history and more an inter-ation of a special field, but it shows more original research Mr. Allen's work and it goes deeper into the economic ning of our life. It is a swift sketch of the careers and ideas he reformers and radicals of the last generation—LaFollette, an, Debs, Darrow, Brand Whitlock, Henry George, John P. geld and a host of lesser men. Into the narrative of these tical and social reformers Mr. Chamberlain weaves the tale he literary crusaders who were their contemporaries, Upton lair, Lincoln Steffens, Frank Norris, Theodore Dreiser, Thor-Veblen and their tribe. All through the book there are little s of acute analysis that sum up a man or movement in a sen-e. "Where Veblen is weak, and where he has led a generation economists—the generation of Stuart Chase—astray, is in his of a power politics, the same lack that has sent Henry George limbo as a complete systematic thinker." "For the nature of er—the power of the 'superior' man—is that it becomes cor-t; it seeks to entrench itself by fair means and foul; it will observe the rules laid down by the libertarian rationalist." ndon, it is to be feared, was a socialist because it gave him the -soothing feeling of high danger."

Ir. Chamberlain's thesis is that almost all the reformers of last generation have been futile because they failed to under-d the real nature of capitalism. They fought for the rights little business against big business, of shippers against rail-ds, of farmers against grain speculators. In the words of liam Archer in 1910, "They do not see that most of the s they attack are inevitable results of the national creed of in-dualism. They lack either the insight or the courage to ad- that some form of collectivism is the only permanent check n the enslavement of the people by the most amazing plutocracy world has ever seen."

If reform has failed, what then? Mr. Chamberlain is quite frank with his answer, although he eschews the common phrases of Socialist propaganda. He thinks that a social revolution along Socialist lines is necessary, and he hopes that that revolution will be accomplished chiefy by education. Reform only postpones the inevitable and necessary reconstruction of society into vertical instead of horizontal classes. The progressive business man cannot be "good" in a world where the most unscrupulous set the pace for the rest. Even the radical planners like Chase and Soule start from the wrong end because plans without political power will only be twisted to Fascist ends and made the basis of "a further congealing of capitalism". Chase, says Mr. Chamberlain, is the doctor who should be called in *after* a revolutionary change. It is best to abandon the reform methods of the "goo-goos" and fight for a radical party dominated by hand workers, white-collar workers, mortgage-ridden farmers and the eleven million unemployed.

I like Mr. Chamberlain's book partly because I agree with it and partly because it has the gusto of youth in it. He says with confidence the things that he thinks are true, dismissing the literary stuffed shirts and the abortive social movements with a wave of the pen. I hope that his impatience with compromise will impart itself to an increasing number of his generation.

PAUL BLANSHARD

In the Right Direction

Our Economic Life in the Light of Christian Ideals. By a special committee of the Research Department of the Federal Council of the Churches of Christ in America. Published by the Association Press. $.90, paper; $1.50, cloth.

THIS little book is designed for use in discussion groups, especially in churches and Christian Associations, and is perhaps the most satisfactory text available for such groups. After preliminary chapters on the present economic crisis, our economic system as a whole, and the distribution of wealth and income, special consideration is given to workers, farmers, managers, investors, and consumers. One section deals with human nature and incentives, while another outlines objectives in economic reconstruction. The concluding emphasis is upon economic planning.

The chief purpose of this study is summarized by its authors in these words: "The concern of this book is with the ways in which our economic life may be so ordered as to exalt those spiritual values that are implicit in the Christian religion. . . . In particular . . . to show the correspondence between the requirements of Christian ethics and the essential findings of contemporary economics. The aim has been to offer practical help to Christians who are earnestly desirous of shaping economic life in accord with the principles of Christianity."

The tone of the book is distinctly liberal, and even radical proposals are considered without tremors of fright. Nevertheless, at

crucial points the discussion is incomplete and inadequate. The all-important question of the distribution of privilege and power is not handled with realism. After emphasizing the need, on economic and ethical grounds, for a more equitable division of income, one chapter concludes: "Up to the present time there is no adequate answer to those who contend that privileged classes do not surrender their privileges until they are taken from them. It remains to be demonstrated whether social conscience and social intelligence can together bring about our economic salvation." The entire problem of the necessity of social coercion is left unexplored, and little help is given to those who are seeking effective alternatives to violence and overt class war as means of equalizing privilege and power. Most of the discussion of socialism is occupied with a dry historic survey, and the program of the Socialist Party of the United States is disposed of in seven lines.

This book is extremely useful—as far as it goes, but it stops too long at the half-way house. K. P.

CORRESPONDENCE

Pronuncio Under Fire

SUCH as still wonder why the vision of a world tomorrow is so alien to the mentality of the American mass person, even to its 1932 unemployed species, despite two generations of ardent and unselfish propaganda by social missionaries, may stumble upon a clue to this riddle of tantalizing futility in such paragraphs as Pronuncio offers "ex cathedra" to your readers in the December 14 issue of THE WORLD TOMMORROW anent the recent convention of the American Federation of Labor in Cincinnati.

Within a puny 25 lines your commentator dismisses the A. F. of L. meeting as "pathetic." What indeed could be simpler! The convention came out, true, in favor of unemployment insurance, but that came only "after years of delay"; it came out for a six-hour, five-day work week with plenty of thunder underlining it, but this somehow slipped by Pronuncio's eye; it has addressed the country in a stirring economic and political analysis of the current moment in the report of the Executive Council, but apparently that was not quite within "ex cathedra" delineations, so your paragrapher ignores it. The convention has issued a mandate to all international unions affiliated with it to resist by striking all further attempts at wage cutting even under present desperate industrial conditions. That goes unnoticed. Pronuncio, however, did notice that the Federation has lost about 400,000 members in the past year; but the thought that more than 27 per cent of the Federation's membership has been out of work this year and could not therefore pay dues and stay on the good-standing list of the unions never, of course, would occur to him.

The Cincinnati convention did not come out for independent political action. But if, according to your commentator, "It has long become a question whether a combination of economic and political strategy will avail to gain the rights of the workers in our kind of civilization," it would seem that his own viewpoint and the attitude of the Federation on this subject are not so remotely apart. Except, perhaps, for this: The Federation apparently realizes that for the time being at least it has to put up with "our kind of civilization" and with the run-of-the-mill American worker or farmer, while Pronuncio, divinely impatient with the whole works, would consign us all to limbo if that would expedite the arrival of a "different kind" of civilization.

To this correspondent such sniping and jabbing at the trade union movement bears all the earmarks of a damned-if-you-do-and-damned-if-you-don't grouch. By this time it should be sonably plain that tons and broadsides of high-hat propa over the heads of the trade unions will not bring about the f tion of a genuine labor political party in America. It m best result in a score or more of debating groups largely middle class or professional complexion. And while it is tru our working class population, in the cities and on the far still woefully visionless, it happens to be the only working we have. In a less academic moment even Pronuncio migh mit that even such "pathetic" proposals as unemployment i ance as a charge upon industry and the 30-hour week ar radical fare for the average American trade union memb swallow.

New York, N. Y. MAX D. DANI

Why "Hunger Marchers"

TWO days before the opening of Congress the so-called Committee on Unemployment, representing 17 diff socially-minded organizations, met in Washington to arouse p sentiment and to petition Congress for immediate and long- relief.

Delegates to the conference had soberly investigated the nu of needy families in the leading states and had estimated local and national resources which could be drawn upon to the needs. Saturday afternoon had been set aside for an info hearing on Capitol Hill in order to present the data to Cong Of the 525-odd Senators and Representatives, only one, Se Frazier of North Dakota, appeared to hear the delegates. Th a conscientious Senator, Frazier is on no committee dealing the problem of unemployment relief. His interest in the plea was merely academic.

You may say that the Hunger March to Washington w lot of useless damnfoolishness, but everybody in Washington k what the "marchers" were there for. That cannot be said o Joint Conference, even though led by such able publicist John Dewey, Norman Thomas, Father John A. Ryan, Si Goldstein and Benjamin Marsh.

Washington, D. C. R. C. M

ANNOUNCEMENT

Help Polish War Resisters!

THE War Resisters' International, 11 Abbey Road, En Middlesex, England is appealing for aid on behalf of Polish war resisters whose refusal to perform military ser for conscientious reasons, has brought them under the persecu of the authorities. The practice of repeated long sentences imprisonment without dismissal from the army, has resulted might be expected, in bad health and in some instances dange physical conditions among these young men.

The W. R. I. suggests that peace workers and organization every country send general protests by registered mail, signed b many people as may be secured, to La Chancellerie Civile de M Président de la République Polonaise, Warsaw, Poland; and Najwyszy Sad Wojskowy, Warsaw, Poland. Specific protests garding the three latest young men to suffer persecution (w names are Platon Kosciewicz, Josef Stankunas, and Aleksa Mozolewski) should be addressed to Wojskowy Sad Okrego Nr. 111, Wilna, Poland (a military court). With regard to

rmen in need of assistance (Illarjon Hradyski, Cyril Prist- and Jan Zdaniewicz), address: Wojskowy Sad Okregowy, Poland. Past experience has shown this sort of protest of real aid. Any replies received should be reported to the I. I. Since several of the men are on a hunger strike al- time is precious.

Life of Anna Garlin Spencer

HE Anna Garlin Spencer Memorial Committee sends out request for letters, clippings and other material relating e late Anna Garlin Spencer, Lecturer in Social Science, ers College, Columbia University. Mrs. Spencer's long in social reform included leadership in such movements as hygiene, suffrage, peace, training of social workers, liberal gy, religious education, international organizations of women, quality, divorce and family solidarity and social education. enjamin R. Andrews, Teachers College, Columbia Univer- will greatly appreciate loans of material which will contribute fuller knowledge of Mrs. Spencer's active career, which from 1870 to 1931.

DEBATE!
DARE WE DISARM?
JAN. 1 SUNDAY 8:30 P.M.
Norman THOMAS vs. Gen. Smedley D. BUTLER
BROOKLYN FORUM—BROOKLYN ACADEMY OF MUSIC
30 Lafayette Ave., near Flatbush Ave.
Tickets: 25c—55c—$1.10 at Box Office—Rand Book Store—7 E. 15th St., N. Y.
Auspices: Brooklyn Forum—New History Society.

World Tomorrow Radio Hour

tation WEVD — Tuesday
1300K—231M — Dec. 27—8:15 P.M.

Speaker: Devere Allen

ther weekly features of Station WEVD:

The Group Theater, Sunday, 8:30 P.M.
Michael Strange, Tuesday, 5:15 P.M.
Hendrik Van Loon, Friday, 8:15 P. M.

Who's Who in This Issue

Henry J. Rosner is research secretary of the City Affairs Committee of New York.

Willard E. Uphaus, after a year of teaching at Yale University, is engaged with Dr. Hartshorne in conducting an investigation of the status of Protestant religious education in the United States.

Paul Blanshard is executive director of the City Affairs Committee of New York and co-author with Norman Thomas of "What's the Matter with New York?"

Max D. Danish is the editor of "Justice".

THE LAST WORD

MAYBE you're an advocate of states' rights. Maybe you think the several states must be eternally on the watch lest the federal government usurp some of their sacred functions. Maybe you're an advocate of national sovereignty pure and undefiled. Maybe you're afraid that the League of Nations or some international superstate will impinge on your country's privileges. If you are this sort of person, you ought to live in Connecticut, near Hartland; or perhaps in Massachusetts, just over the line. For up in that region recently there was a huge forest fire. It burned over 80 acres. It didn't get stopped for quite a while, because the wardens and rangers and firemen in both states didn't try to stop it. The Massachusetts people thought the fire was in the Tunxis state forest of Connecticut. The Connecticut people thought it was in the Granville state forest of Massachusetts. As a matter of fact it was in both places, and the extreme politeness with which the responsible persons on each side of the state line regarded the others, not wishing to intrude on sovereignty, seemed rather misplaced. At least, it stopped no fires, protected nobody, and caused a great deal of unnecessary damage while the conflagration raged for 24 hours. The moral is plain. But national and international morals, these days, appear to have received a singeing, too.

I HAVE no intention of devoting this department to such serious questions as the Dry-Wet controversy. Eccentricus can take it or leave it alone, but he leaves it in almost continuous solitude. There is one pet brand of non-alcoholic beer on which he dotes, however, and his constant fear is that when real manly stuff is liberated, this brand will shoot sky-high in price. Eccentricus's *bummeljahre* have taken him into places where those who dare can quaff the Spanish imitation *Pilsener*, of Madrid, the genuine imported German beer of Barcelona, or the poisonous draught beer of rural Spain; the syrupy Italian beers; the wry, medicine-like native beers of France; the knock-'em-cold ales of England, where the brewers must have derived their inspiration from the climate; the various types of *Münchner*, which he saw going down more than 15,000 throats on one street of Munich at the same time by actual count—and his eyesight was not affected, either; the delectable *Schwackete lager* of Austria, which would confound any Dry, so light is it; and even the *weitzbier* or "prohibitionist's beer" of Switzerland and Germany, which you can buy from an automat spigot for 10 pfennig and decide it's just worth it. I have wrecked my constitution, regardless of amendments, on too much mineral water, and had the laugh on abstemious Normala who, in a limestone region, drank *de l'eau naturelle* and broke out in a rash—something she rarely is.

Having demonstrated my impartiality. I must note here that our Wet press has impressed the British even more than the Americans. So staid a weekly as *Time and Tide*, in its issue of November 26, has been studying our situation and has discovered that at ten cents a pint (that is, in Cheapside parlance, a tynkard) and a tax of three cents, the government will receive from legalization £7,000,000 a month in revenue. I had to do a little mathematics after this at present rates of exchange and unless my figures are under the influence, they show that we should have to consume 32 pints every day for each man, woman, child and infant in the land. There are plenty who seem willing to try, filled at present chiefly with impatience. They remind me of the captain in the Civil War who said to his men: "Advance ten rods, fire three rounds, and run like blazes. I'm a little lame, so I'll start now." Yours with profound unhaste,

Eccentricus

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